

Anti-Fraud and Corruption Policy

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1. Introduction

1.1. Purpose

The purpose of this policy is to set out The Royal Photographic Society's stance on all matters relating to fraud, corruption and unethical behaviour generally. The policy outlines the approach to preventing, detecting, reporting and investigating unethical behaviour within the Society. All forms of fraud and corruption are unacceptable and should not be tolerated. They affect the ability of the Society to fulfil its aims and objectives, as defined in its charter.

This policy aims to:

- Educate everyone within the Society on how to recognise the risk that fraud and corruption present.
- Promote an anti-fraud culture within the organisation to safeguard against fraud and corruption.
- Explain how the Society aims to prevent fraud and corruption.
- Provide guidance on how to report unethical behaviour.

1.2. Definitions of Fraud and Corruption

Fraud is a criminal offence under the Fraud Act 2006. There are three ways of committing it:

- **Fraud by false representation:** This involves dishonestly making a representation, knowing that it is or might be, untrue or misleading, and intending to make a gain, cause loss to another, or expose another to a risk of loss. This gain or loss can be in the form of money or other property.
- **Fraud by failing to disclose information:** This involves dishonestly failing to disclose information required under legal duty, and intending to make a gain, cause loss to another, or expose another to a risk of loss.
- **Fraud by abuse of position:** This applies in situations whereby someone occupies a position, which they are expected to safeguard, and not act against, the financial interests of another, but dishonestly abuses that position.

Corruption is the abuse of entrusted power for gain. It is wide ranging – such acts include, for example: bribery, kickbacks, abuse of position, breaches of trust, conflicts of interest, abuse of patronage, nepotism/cronyism, sexual abuse, and even extortion.

A conflict of interest is where an individual has private interests that may or do influence the decisions that they make as an employee or representative of an organisation.

The Bribery Act 2010 defines acts of bribery as criminal offences. Bribery is offering, promising or giving someone a financial or other advantage to encourage a person to perform their function or duties improperly; or to reward a person for having already done so; or requesting, agreeing to receive or accepting the advantage offered to them. A facilitation payment is a type of bribe, an example being an unofficial payment or reward given to a public official to undertake or speed up the performance of their normal duties.

Organisations carrying out a 'commercial activity' commit an offence if they fail to take reasonable steps to prevent bribery. Any service whereby fees are charged could be considered a commercial activity.

Theft is dishonestly appropriating property belonging to another with the intention of permanently depriving the other of it.



2. Scope

This policy applies to The Royal Photographic Society worldwide – the entire membership of the society, all staff, trustees, and all volunteers within the United Kingdom and overseas. Failure to comply could result in disciplinary action, termination of membership or legal (including criminal or civil) action, where appropriate.

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Membership of the society includes all current subscribing members of the society.

Staff is anyone appointed as a paid employee of the Society, including employees, agency workers, consultants and contractors. Current members of staff are detailed here: <http://www.rps.org/contact/rps-staff>.

Trustees include all members of the Board of Trustees, including the President, President-elect, Treasurer and all other members of the Board of Trustees, whether elected or co-opted. Current trustees of the society can be found here: <http://www.rps.org/about/organisation/the-rps-council>.

Volunteers include non-salaried personnel representing the society in whatever capacity, for example, members of distinctions panels, standing committees, regions, overseas chapters and special interest group committees.

The society requires all those receiving society funds or representing the society, including its suppliers, grant recipients, partners, contractors and agents, to act in accordance with this policy.

3. Policy Statement

The Royal Photographic Society (the 'Society') is committed to conducting business fairly, openly and honestly and in accordance with the highest ethical and legal standards. When acting on behalf of the society, through whatever capacity, you are responsible for maintaining the society's reputation and for conducting business honestly and professionally.

The Society is committed to developing an anti-fraud culture and keeping the opportunities for fraud, bribery and corruption to an absolute minimum.

The Society will regularly assess the risks that fraud and corruption present, establish processes and controls to minimise these risks, and regularly review the effectiveness of its control systems.

The Society will continue to provide bona-fide hospitality to clients and incur promotional expenditure. However, all such expenditure must be transparent, proportionate, reasonable and authorised in advanced, and in accordance with the Society's policies.

While providing services to clients, or in dealings with suppliers, or any other person having similar connections to the Society, under no circumstances, should anyone accept money, gifts or other reward, no matter what value, without prior consent from the Chief Operating Officer, or President, before proceeding.

Any breach of the Society's Anti-Fraud and Corruption policy will normally be treated as Gross Misconduct (if committed by staff), or a breach of conduct by members, as detailed in policy.

The Society will take all reports of fraud, bribery and corruption seriously, and investigate proportionately and appropriately. The Society depends on everyone assisting in preventing fraud and corruption.



The Society will not tolerate any act of fraud or corruption and will always seek to take disciplinary and/or legal action against those found to have perpetrated any crime against the Society's interests.

The Society will not conduct business with third parties, including clients, suppliers, agents or representatives, who are not prepared to support its anti-fraud and corruption objectives.

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The Society will support anyone who reports suspicions of fraud and corruption in good faith, even if following an investigation, it is found that no fraud or corruption took place.

4. Roles & Responsibilities

It is important that everyone understands their role within the Society, know what is expected of them, and seeks advice or clarification where necessary. Every person detailed within the scope of this policy is responsible for complying with it.

4.1. Chief Operating Officer

The Chief Operating Officer has overall responsibility for managing staff. The Chief Operating Officer reports to the President and is responsible for:

- Approval of expenditure as signatory to the bank accounts.
- Working with the trustees on financial strategies and planning.
- Management of the agreed budgets.
- Implementation of Society policies.
- Undertaking a regular review of fraud risks.
- Liaising with the Society's appointed auditors.
- Making sure that all staff are aware of the Anti-Fraud and Corruption Policy and know what their responsibilities are in relation to countering fraud and corruption.
- Ensuring that appropriate anti-fraud training is made available to staff and volunteers as required and ensuring that appropriate action is taken to minimise the risk of fraud occurring.
- Deciding upon and taking forward disciplinary proceedings against employees who have committed a breach of this policy.

4.2. Trustees

Members of the Board of Trustees are trustees for the purposes of the Charities Acts and as such are responsible for ensuring that The Society complies with all relevant legislation, including: Charities Act, Health and Safety law, the Data Protection Act, employment and financial legislation, the Public Interest Disclosure Act 1998 and the Bribery Act 2010.

Trustees' responsibilities under charity law and roles are outlined in '[The Essential Trustee: what you need to know and what you need to do](#)' guide issued by The Charity Commission, in which the six main duties as a trustee are outlined. The trustees have overall responsibility for safeguarding Society's funds and assets.

The Board of Trustees is responsible for maintaining an effective system of internal controls, including ensuring that detailed financial procedures and systems incorporating the principles of separation of duties, supervision and other internal controls, are maintained. The Honorary Treasurer with support from the Finance Manager will normally oversee these controls.

The President is responsible in consultation with the Board of Trustees for deciding upon and for taking forward any disciplinary proceedings against Society members who have committed a breach of this policy.



4.3. Staff

Staff provide the central management and administrative functions of the Society. Staff are responsible for:

- Ensuring that policies, procedures and processes within their work areas are adhered to and kept under review; that adequate systems of internal control exist within their areas of responsibility and that controls operate effectively.
- Promoting an anti-fraud culture within the organisation, which includes principles of integrity, objectivity, accountability, openness, honesty and leadership.
- Acting with integrity in the use of Society resources and the handling and use of funds, including dealing with cash, receipts, payments and with suppliers.
- Being alert to the possibility that unusual events or transactions could be indicators of fraud and corruption.
- Alerting their manager when they believe the opportunity for fraud exists, e.g. because of poor procedures or lack of effective oversight.
- Reporting details immediately if they suspect that a fraud has been committed or see any suspicious acts or events.
- Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations.
- Safeguarding personal and financial data in accordance with relevant legislation.

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4.4. Volunteers

Unpaid volunteers are a vital resource to the Society, essential to many activities, and enable The Society to deliver its objectives. The role of volunteers is outlined in the Society's Volunteer Policy (MP008). It is incumbent of all volunteers to adhere to the Volunteer Policy and its Agreement contain therein. Volunteers are responsible for:

- Acting with integrity in the use of Society resources and the handling and use of funds, including dealing with cash, receipts, payments and with suppliers.
- Being alert to the possibility that unusual events or transactions could be indicators of fraud and corruption.
- Alerting the Society management when they believe the opportunity for fraud exists, e.g. because of poor procedures or lack of effective oversight.
- Reporting details immediately to the Society if they suspect that a fraudulent or corrupt act has been committed or see any suspicious acts or events.
- Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations.
- Safeguarding personal and financial data in accordance with relevant legislation.
- Maintaining accurate records of all committee assets for which they are responsible, on a register.

4.5. Society Members

Society members shall comply with the Codes of Conduct. Every member is responsible for:

- Promoting an anti-fraud culture within the Society.
- Acting with integrity in the use of Society resources.
- Being alert to the possibility that unusual events or transactions could be indicators of fraud and corruption.
- Reporting any suspicions of unethical behaviour to Society management.
- Cooperating fully with the Society or where necessary, the police during the investigation of criminal offences.



5. Reporting

5.1. Whistleblowing Policy

A 'whistleblower' is someone who discovers something that is wrong and alerts his employer or the relevant authorities to what is going on. The law protects whistleblowers from their employer subjecting them to detriment or dismissal and from deterrent treatment by their colleagues, by reason of them having 'blown the whistle'. To be protected by the law, the act of whistleblowing must fall within the legal rules and the whistleblower must reasonably believe that their disclosure of wrongdoing is made in the public interest.

This procedure does not replace other policies and procedures like the Complaints Procedure (MP007), nor is it intended to replace the Disciplinary, Grievance, Equal Opportunities or Harassment Policy guidance within the Staff Handbook. This procedure is intended to ensure that the Society complies with its duty under the Bribery Act, the Public Interest Disclosure Act, and the Data Protection Act.

This procedure is intended to provide a means of making serious allegations about standards, conduct, financial irregularity or possible unlawful acts, in a way that will ensure confidentiality and protect those making such allegations in accordance with law.

No disciplinary or other action will be taken against anyone who makes an allegation in the reasonable belief that it is in the public interest to do so even if the allegation is not substantiated by an investigation. However, disciplinary action may be taken against a whistleblower who makes an allegation without reasonable belief that it is in the public interest to do so (e.g. making an allegation maliciously or for personal gain).

If you have information you believe relates to the following, please report them:

- A risk of fraud or corruption within the Society.
- Where a criminal offence may be, or has been, committed.
- A person has not complied, or is unlikely to comply with a legal obligation.
- A miscarriage of justice has occurred or may occur.
- Any serious health and safety risk.
- The unauthorised use of Society funds.
- The environment has been, is being or is likely to be damaged.
- Sexual, physical or verbal abuse, or bullying or intimidation of employees, members, or clients of the Society.
- Abuse of authority or position by a committee member or member of staff.
- Any other unethical conduct.

5.2. Reporting procedures

Please immediately report any incidents or suspicions of unethical behaviour to the management of the Society. The Society recognises the decision to make an allegation can be a difficult one to make. The Society will take appropriate action to protect a whistleblower who makes a serious allegation in the reasonable belief that it is in the public interest to do so from any reprisals, harassment or victimisation. The Society will not penalise anyone for raising a concern in good faith.

Importantly, any report (whether written or verbal) should provide relevant information, including:

- Your name and a point of contact.
- The background and history of the allegation.



- Relevant dates/times, names and positions of those who may be able to have contributed to the allegation.
- The specific reason for the allegation. Although someone making an allegation will not be expected to prove the truth of any allegations, they will need to provide information to the person they have reported to, to establish that there are reasonable grounds for the allegation.

How to report unethical behaviour

If anyone has a concern about unethical behaviour, they should report their concerns to their manager, the Chief Operating Officer, or to the Board of Trustees.

The Chief Operating Officer can be contacted as follows:

- Telephone: +44 (0)1225 325730
- Email: coo@rps.org
- Postal address: The Chief Operating Officer, The Royal Photographic Society, Fenton House, 122 Wells Road, Bath, BA2 3AH.

The Board of Trustees can be contacted via email: council@rps.org

The President of the Society can be contacted via email: president@rps.org

You can also make a report externally. This can be through the Charity Commission's whistle-blowing policy, via email: whistleblowing@charitycommission.gsi.gov.uk

The charity, [Public Concern at Work](#) provides free confidential advice to employees who have concerns about wrongdoing in the workplace. You can contact Public Concern at Work on 020 7404 6609.

Alternatively, if you wish to make a report of crime, [Avon and Somerset Constabulary](#) is contactable on telephone 101.

Finally, if you wish to make a complaint not related to fraud and corruption, please refer to the Society's [Complaints Procedure](#) (MP007).

What will happen on receipt of an allegation

The Society will maintain a system for recording all reports of actual or suspected fraud and corruption, the action taken, and the outcome of any investigation. It will use this information to inform its review of the risks and the effectiveness of its controls.

This includes:

- The record of the allegation.
- The acknowledgement of the allegation.
- Any documents supplied by the whistleblower.

The Society will ask you for your preferred means of communication, contact details and will use these for all communications with the whistleblower to preserve confidentiality.

If the allegation discloses evidence of a criminal offence, it will immediately be reported to the Board of Trustees and a decision will be made as to whether to inform the Police. If the allegation concerns suspected harm to children, the appropriate authorities will be informed immediately.



All allegations will be treated in confidence and every effort will be made not to reveal a whistleblower's identity unless the whistleblower otherwise requests. The Society will not, without the whistleblower's explicit consent, disclose the identity of a whistleblower to anyone other than a person involved in the investigation.

Allegations made anonymously are much less powerful but anonymous allegations will be considered at the discretion of the Chief Operating Officer and President of the Society.

In exercising discretion to accept an anonymous allegation, the following factors will be considered:

- The seriousness of the issue raised.
- The credibility of the allegation.
- Whether the allegation can realistically be investigated from factors or sources other than the complainant.

Timetable

An acknowledgement of the allegation in writing will be made within 30 calendar days, and will include:

- An indication of how the Society propose to deal with the matter.
- An estimate of how long it will take to provide a final response.
- An indication of whether any initial enquiries have been made.
- Indication whether further investigations will take place and if not, why not.

6. Implementation

6.1. Distribution and Training

The Society will seek to put in place efficient and effective systems, procedures and controls to encourage an anti-fraud culture, to prevent, detect and deter fraud and corruption, and to reduce the risk of fraud and corruption occurring to an absolute minimum.

The Society will seek to equip its staff and volunteers with the skills, knowledge and expertise to manage its fraud and corruption risk effectively. It will provide adequate training to make staff aware of the risks of fraud and corruption, and of their responsibilities in preventing, detecting, and reporting them. This training will be on-going and form part of the staff and volunteer induction process.

The Society will make all those receiving Society funds or representing the Society, including suppliers, grant recipients, partners, contractors and agents, aware of this policy.

The Society will work with relevant regulators and government organisations to tackle fraud and corruption.

6.2. Investigation and Sanctioning

The Society will take all reports of actual or suspected fraud, bribery and corruption seriously, and investigate proportionately and appropriately as set out in this policy. Where appropriate, reports will be made to the charity regulator, The Charities Commission, and the Police.

The Society will always seek to take disciplinary and/or legal action against those found to have perpetrated or assisted with fraudulent or other improper activities in any of its operations. For staff, this may include dismissal. For members, this will mean termination of



membership in addition to any legal action. The Society will also seek to recover any assets lost through fraud or corruption, through civil redress.

6.3. Monitoring and Review

The Society will seek to assess the nature and extent of its exposure to the risks of internal and external fraud and corruption. The Society will regularly review and evaluate the effectiveness of its systems, procedures and internal controls for managing the risk of fraud, at least once a year. It will do this through risk management and assurance processes and audit arrangements.

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External controls with approved auditors will be conducted irregularly, thus adding a further layer of control. This will include the use of different external auditors.

All losses as the result of fraud and corruption shall be recorded on a loss register maintained by the Finance Manager and Honorary Treasurer and approved by the Board of Trustees.

The Chief Operating Officer will report annually to the Board of Trustees on the operation of the Anti-fraud and Corruption Policy and on any whistleblowing allegations made during the period covered by the report. The report will be in a form which does not identify whistleblowers.

To manage any exposure to corruption, all gifts and hospitality received by the Society must be approved in line with and recorded on a Gifts and Hospitality Register.

Conflicts of interest are known to increase the risk of fraud. Therefore, all staff or volunteers who have an interest in an actual or potential supplier (whether personally, or through family members, close friends or associates) must report that conflict of interest to the Society.



7. Appendix

7.1. Definitions

Fraud

Section 1 of the Fraud Act 2006 defines a general offence of fraud and affords three possible ways of committing it: Page | 10

- Section 2 (fraud by false representation),
- Section 3 (fraud by failing to disclose information), and
- Section 4 (fraud by abuse of position).

Fraud by false representation

A person is in breach of this section if he: (a) dishonestly makes a false representation, and (b) intends, by making the representation: (i) to make a gain for himself or another, or (ii) to cause loss to another or to expose another to a risk of loss.

A representation is false if: (a) it is untrue or misleading, and (b) the person making it knows that it is, or might be, untrue or misleading.

Representation means any representation as to fact or law, including a representation as to the state of mind of: (a) the person making the representation, or (b) any other person. A representation may be express or implied.

For the purposes of this section a representation may be regarded as made if it (or anything implying it) is submitted in any form to any system or device designed to receive, convey or respond to communications (with or without human intervention).

Fraud by failing to disclose information

A person is in breach of this section if he: (a) dishonestly fails to disclose to another person information which he is under a legal duty to disclose, and (b) intends, by failing to disclose the information: (i) to make a gain for himself or another, or (ii) to cause loss to another or to expose another to a risk of loss.

Fraud by abuse of position

A person is in breach of this section if he: (a) occupies a position in which he is expected to safeguard, or not to act against, the financial interests of another person, (b) dishonestly abuses that position, and (c) intends, by means of the abuse of that position: (i) to make a gain for himself or another, or (ii) to cause loss to another or to expose another to a risk of loss.

A person may be regarded as having abused his position even though his conduct consisted of an omission rather than an act.

Other relevant offences in the Fraud Act include:

- Possession etc. of articles for use in frauds.
- Making or supplying articles for use in frauds.
- Participating in fraudulent business carried on by sole trader.
- Obtaining services dishonestly.



Forgery

Section 1 of the Forgery and Counterfeiting Act 1981 creates an offence which is committed by a person who makes a false document or instrument.

A person is guilty of forgery if he makes a false, instrument, with the intention that he or another shall use it to induce somebody to accept it as genuine, and by reason of so accepting it, to do or not to do some act to his own or any other person's prejudice. Page | 11

Forgery is the making of an instrument purporting to be that, which it is not. It is not the making of an instrument, which purports to be what it really is, but which simply contains false statements, i.e., telling a lie on paper is not a forgery – though, it may be a fraud by false representation.

Bribing another person

Section 1 of the Bribery Act 2010 creates offences of bribing another person.

1. A person (P) is guilty of an offence if: (a) P offers, promises or gives a financial or other advantage to another person, and (b) P intends the advantage: (i) to induce a person to perform improperly a relevant function or activity, or (ii) to reward a person for the improper performance of such a function or activity, or
2. P offers, promises or gives a financial or other advantage to another person, and (b) P knows or believes that the acceptance of the advantage would itself constitute the improper performance of a relevant function or activity.

In case 1 it does not matter whether the person to whom the advantage is offered, promised or given is the same person as the person who is to perform, or has performed, the function or activity concerned. In cases 1 and 2 it does not matter whether the advantage is offered, promised or given by P directly or through a third party.

Being bribed

Section 2 of the Bribery Act 2010 creates offences relating to being bribed.

3. A person (R) is guilty of an offence if: (a) R requests, agrees to receive or accepts a financial or other advantage intending that, in consequence, a relevant function or activity should be performed improperly (whether by R or another person), or
4. R requests, agrees to receive or accepts a financial or other advantage, and the request, agreement or acceptance itself constitutes the improper performance by R of a relevant function or activity, or
5. R requests, agrees to receive or accepts a financial or other advantage as a reward for the improper performance (whether by R or another person) of a relevant function or activity, or
6. Where, in anticipation of or in consequence of R requesting, agreeing to receive or accepting a financial or other advantage, a relevant function or activity is performed improperly by R, or by another person at R's request or with R's assent or acquiescence.

In cases 3 to 6 it does not matter whether R requests, agrees to receive or accepts (or is to request, agree to receive or accept) the advantage directly or through a third party, whether the advantage is (or is to be) for the benefit of R or another person. In cases 4 to 6 it does not matter whether R knows or believes that the performance of the function or activity is improper. In case 6, where a person other than R is performing the function or activity, it also does not matter whether that person knows or believes that the performance of the function or activity is improper.



Bribing foreign officials

Section 6 of the Bribery Act 2010 creates an offence of bribing foreign public officials.

A person (P) who bribes a foreign public official (F) is guilty of an offence if P's intention is to influence F in F's capacity as a foreign public official. P must also intend to obtain or retain business, or an advantage in the conduct of business. Page | 12

P bribes F if, and only if directly or through a third party, P offers, promises or gives any financial or other advantage: (i) to F, or (ii) to another person at F's request or with F's assent or acquiescence, and (b) F is neither permitted nor required by the written law applicable to F to be influenced in F's capacity as a foreign public official by the offer, promise or gift.

Failure to prevent bribery

Section 7 of the Bribery Act 2010 creates an offence committed by a relevant commercial organisation.

A relevant commercial organisation (C) is guilty of an offence under this section if a person (A) associated with C bribes another person intending to obtain or retain business for C, or to obtain or retain an advantage in the conduct of business for C. It is a defence for C to prove that C had in place adequate procedures designed to prevent persons associated with C from undertaking such conduct.

Theft

Section 1 of the Theft Act 1968 provides the legal definition of theft.

A person is guilty of theft if he dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it and 'thief' and 'steal' shall be construed accordingly.

It is immaterial whether the appropriation is made with a view to gain, or is made for the thief's own benefit.

7.2. Associated Documents

Reference to relevant Society policy is found at: <http://www.rps.org/about/organisation/rps-documents> and at: <http://www.rps.org/volunteer-area>.

Employee Handbook

FP001 Finance Delegation and Control - General Procedures

FP002 Finance Delegation and Control - Investments

FP003 Finance Delegation and Control - Regions and Groups

MP003 Regulations and Guidelines for Regions

MP004 Regulations and Guidelines for Groups

MP005 Regulations and Guidelines for Overseas Chapters

MP007 Complaints Procedure

MP008 Volunteer Policy

MP010 Risk Management Guide

MP011 Code of Conduct for Members

MP012 Code of Conduct for Members of Council

Risk Assessment

Volunteer Agreement

Treasurers' Manual

